Losses to Indian Telephone Industry

614. SHRI K. RAHMAN KHAN: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Indian Telephone Industry is incurring continuous losses, if so, from which year and reason for losses;

(b) whether it is a fact that DOT has stopped placing orders or not placing sufficient orders to the extent of its capacity;

(c) why DOT is not supporting ITI when it is a PSU and once enjoying a status of monopoly with DOT; and

(d) what steps Government is taking to make ITI profitable?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA): (a) The ITI, LTD, Bangalore is incurring losses from the year 1994-95 onwards. However, the company has earned a marginal profit during 1997-98. The main reasons for the losses are as follows:

(i) Competition from private vendors resulting in considerable reduction in prices of telecom equipment products.

(ii) Heavy interest burden owing to large commercial borrowings by the company;

(iii) High manpower costs and other overheads.

(b) to (d) Due to opening up of telecom sector, ITI Ltd. no more enjoys the monopoly status and has to compete with private vendors for securing orders. However, to help the company, DOT has reserved 20 to 30% of its orders outside the tender for placement on ITI Ltd. DOT is also giving advances upto 75% of the value of purchase Orders (25% on Advance Purchase Orders and 50% on firm Purchase Orders) placed on the company outside the tender.

Due to the above measures as also certain other steps taken by DOT like waiver of liquidated damages, Government Guarantee for the Bonds floated by the company during the past two years, compensation for the losses suffered in the Srinagar Unit of the company, compensation for the VRS Scheme, etc., the performance of the company is showing market improvement from the year 1996-97 onwards. As against a loss of about Rs. 284 crores recorded during 1995-96, the company reduced its losses to Rs. 51 crores in 1996-97. During the year 1997-98, the company has earned a marginal profit of Rs. 5 crores according to the unaudited financial results announced recently.

त्रिपुरा में डाक और तार सेवाओं का नवीकरण

615. **श्री दिलीप सिंह जूदेवः** क्या संचार मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या डाक और तार विभाग द्वारा त्रिपुरा में डाक और तार सेवाओं के नवीकरण और आधुनिकीकरण के लिए चालू योजना अवधि के दौरान कोई योजना शुरू की गई है;

(ख) यदि हां, तो तत्संबंधी ब्यौरा क्या है;

(ग) 31 जनवरी, 1997 तक की स्थिति के अनुसार इस संबंध में क्या प्रगति हुई है;

(घ) आठवीं पंचवर्षीय योजना के दौरान इस प्रयोजन के लिए त्रिपुरा जोन को कुल कितनी राशि दी गई तथा इस पर 31 जनवरी, 1997 तक कितनी राशि व्यय की गई; और

(ङ) राज्य की डाक और तार सेवाओं में सुधार लाने के लिए बनाई जाने वाली प्रस्तावित योजनाओं का ब्यौरा क्या है?

संचार मंत्रालय में राज्य मंत्री (श्री कबीन्द्र पुरकायस्थ): (क) जी हां।

(ख) चालू वर्ष के लिए निम्नलिखित योजनाओं को अभिचिह्नित किया गया है:—

(i) छह डाकघरों में कम्प्यूटर आधारित बहुउद्देश्यीय काउंटर मशीनों की स्थापना।

(ii) तीन डाकघरों में बचत बैंक कार्य के लिए लोकल एरिया नेटवर्क की स्थापना।